(c) whether a decision has been taken to revise the rate of royalty for lignite every three years?

THE MINISTER OF STATE IN THE MINISTRY OF MINES AND MINERALS (DR. (SHRIMATI) RITA VERMA): (a) The Government of Gujarat have represented to the Central Government to enhance the royalty rate on lignite to the level of E grade of non-coking coal.

(b) The issues of revision of royalty rates of coal and lignite have already been considered by two study groups constituted in the department of Coal separately for coal and lignite and these study groups have submitted their reports to the Department. Hence no proposal of setting up of a statutory body of experts for revision of rates of royalty on coal and lignite is under consideration of the Central Government.

(c) No Sir. Under the existing provisions of Mines and Minerals (Development and Regulation) Act, 1957 royalty on minerals including coal and lignite cannot be enhanced more than once during any period of three years but this not imply that it has mandatorily to be revised every three years.

Closure of Kolar Gold Mines

5574. DR. C. NARAYANA REDDY: Will the Minister of MINES AND MINERALS be pleased to state:

(a) whether it is a fact that 120 year old world famous Kolar Gold Mines are facing the threat of closure due to losses;

(b) whether it is also a fact that the work force has been asked to accept voluntary retirement or retrenchment;

(c) whether schemes like wagon and coach production, LPG bottling plant etc. have been suggested to avert retrenchment; and

(d) if so, the rection of Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF MINES AND MINERALS (DR. (SHRIMATI) RITA VERMA): (a) to (d) Bharat Gold Mines Ltd. (BGML) was referred to Board for Industrial and Financial Reconstruction (BIFR) in 1992 when the Company became sick in terms of provisions of Sick Industrial Companies (Special Provisions) Act, 1985 (SICA). As efforts to rehabilitate BGML including through the joint venture route were not successful the Government felt that revival of the Company was not feasible. The Government submitted to the BIFR that it would have no objection to

winding up of the Company under the provisions of SICA, and that the Government was ready to offer to all the employees on rolls of the Company as on 31st March, 1999 the benefit of the separation scheme on the lines of the Voluntary Retirement Scheme (VRS) package approved for the Public Sector enterprises of the Department of Heavy Industry. The Government has already offered in December, 1999 the benefit of VRS to all those employees of BGML who opt for the same by 31st March 2000. Further, the Government intimated BGML, *inter alla*, about the implications in respect of employees not opting for VRS by the dateline. The intimation was in the nature of a clarificatory letter.

BIFR, having heard the case, issued *prima facie* winding up notice in respect of BGML on 21.2.2000 and fixed hearing on 16.5.2000 for suggestions/ objections.

Use of Hydro-Electric Generation Potential

†5575. SHRI JANESHWAR MISHRA: Will the Minister of NON-CONVENTIONAL ENERGY SOURCES be pleased to state:

(a) the total potential of hydro-electric generation in India;

(b) the quantum of electricity generated therefrom; and

(c) the action being taken by Government to make full use of hydro-electric potential?

THE MINISTER OF STATE OF THE MINISTRY OF NON-CONVENTIONAL ENERGY SOURCES (SHRI M. KANNAPPAN): (a) Ministry of Non-conventional Energy Sources is responsible for generation of electricity from small hydro power projects up to 25 MW. The total estimated potential from such projects is about 10,000 MW.

(b) The total installed capacity of small hydro power projects up to 25 MW is about 1146 MW. These projects are estimated to generate about 3 billion units per year.

(c) In order to encourage development of small hydro power projects, the Ministry of Non-conventional Energy Sources is implementing various financial incentive schemes such as support for Survey & Investigation, preparation of Detailed Project Reports, Capital subsidy for State sector projects, Interest subsidy for commercial projects and support for Renovation and Modernisation of old SHP projects.

†Original notice of question was received in Hindi.